LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6672 NOTE PREPARED: Dec 29, 2008

BILL NUMBER: HB 1367 BILL AMENDED:

SUBJECT: Hunting License Fees for Disabled Veterans.

FIRST AUTHOR: Rep. Crouch BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: State

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a resident who has a service-connected disability may purchase a yearly license to hunt turkey or deer for a reduced fee.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

<u>Explanation of State Revenues:</u> <u>Summary:</u> The state will lose an estimated \$158,340 in revenues collected from hunting license fees from the two affected categories of licenses. These license fees are deposited in the Fish and Wildlife Fund, which funds the operating budgets of the DNR's Division of Fish and Wildlife and the Division of Law Enforcement.

<u>Background:</u> A resident who has a service-connected disability may purchase a yearly license to take a turkey or kill a deer with a bow, shotgun, muzzle-loading gun, rifle, or handgun for a reduced fee of \$2.75. There are an estimated 52,000 veterans and survivors who collect disability compensation or pension payments in Indiana.

Reduction in Turkey License Fee Revenue: The existing turkey license fee is \$25. Of this fee, \$0.75 may be retained by the selling agent with the DNR receiving \$24.25. Reducing this fee to \$2.75 will result in a reduction of revenue to the DNR of \$22.25 per license sold. (Agents who sell the license may retain \$0.75 per license. Hence, the \$0.75 is not considered in the calculation.) If all eligible veterans purchased a license each year, the DNR would see a reduction in revenue of \$1,157,000.

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However, estimates of the number of veterans with disabilities who hunt in the following projections were calculated using the percentage of the state population that obtains licenses to hunt. Based on DNR data, an estimated 7% of the population purchased a license to hunt. If the same percentage were applied to the eligible population, an estimated 3,640 veterans would purchase a license for the reduced fee. The annual revenue loss would be equal to the number of estimated eligible veterans multiplied by the revenue loss per license, or \$80,990 (3,640 * \$22.25).

Reduction in Deer License Fee Revenue: Existing fees for a license to kill a deer is \$24. Subtracting the selling agent fee results in the DNR receiving \$23.25 per license sold. Reducing this fee to \$2.75 will result in a reduction in DNR revenue of \$21.25 per license sold. If all eligible veterans purchased a license each year, the DNR would see a reduction in revenue of \$1,105,000. However, if 7% of the eligible population, or 3,640, purchased a license for the reduced fee, the DNR would lose \$77,350 (3,640 * \$21.25).

Total Impact: The total annual revenue loss from the two affected categories of licenses is \$158,340 (\$80,990 + \$77,350).

Revenues collected from hunting license fees are deposited in the Fish and Wildlife Fund, which funds the operating budgets of the DNR's Division of Fish and Wildlife and the Division of Law Enforcement.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR.

Local Agencies Affected:

Information Sources: Indiana Department of Veterans Affairs, http://www.in.gov/dva/2364.htm; DNR.

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